BY J. L. PENNINGTON.

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THE DAILY PROGRESS.

VOL. V. RALEIGH. SATURDAY. DEC. 12, 1863. NO. 28.

TELEGRAPHIC NEWS.

[TELEGRAPHIC REPORTS FOR THE PRESS ASSOCIATION.]

Entered according to act of Congress, in the year 1861, by J. S. Thrasher, in the Clerk's Office of the District Court of the Confederate States of the Northern District of Georgia.

Later from the North.

RICHMOND, Dec. 10.—Baltimore *Gazette* of the 8th received. Yankee Congress met at Washington on Monday. In the Senate Davis made earnest opposition to the admission of Senators from West Virginia, contending that constitutionally there was no such State as West Virginia, and, therefore, there could be no Senators from such a State. By a vote of 36 to 5 the Senators were admitted to seats. The House organized by election of Schuyler Colfax Speaker. On the first ballot he received 101 votes, Cox 42, Dawson 12, Mallory 10, and all others 17. Necessary to a choice 92. The Speaker on assuming the chair declared himself in favor of crushing out the rebellion by all means within the power of the government. Lincoln's Message was not delivered to either House. Message said to be shorter than usual. Its most prominent feature refers to the re-union question, which, however, is only briefly alluded to. Lincoln intimating that the time has not yet come for its full discussion. He is said on this matter to take very conservative ground.

Telegrams from East Tennessee are only confirmatory of Longstreet's retreat.

A dispatch from Foster, on the 7th inst., a. m., says Wilcox had been sent to attack the enemy's flank at Bean's Station.

Lincoln has issued a proclamation recommending that the people render special homage and gratitude to God for the dislodgment of the insurgent force from East Tennessee.

Latest quotations gold 151.

Still Later from the North.

The *Herald* of the 9th says the distinguishing features of Lincoln's message will be his plan for the reclamation of the rebellious States. Also reported that he will start from the comprehensive idea, that under his Emancipation Proclamation slavery is abolished in designated States.

A Washington correspondent says, it is understood Cox's faction in Congress, will urge a vigorous prosecution of the war, holding the Republicans responsible for the manner in which it is carried on.

The Wood faction will hold out against war measures.

Seymour has issued a circular to the Supervisors of several towns in New York urging the adoption of measures raising quotas by volunteer enlistments, to avoid impending draft.

The message of Gov. Bramblett, of Kentucky, to the Legislature, says the defence of the State is in a better condition than at any time since the rebellion commenced; says it is conceded that negro slavery is not essential to the life of a State or nation, but the Union is.

Advices from the army of the Potomac represent the men preparing camps for winter quarters.

The London correspondent of the *Herald* alleges that Confederate agents are abandoning all hopes of inducing the British Government to release the rams and have sold them to the Admiralty.

Two thousand prisoners from Chattanooga passed through Indianapolis on the 7th, en route to Rock Island. Twelve hundred more were expected on the 8th. One hundred and thirty officers, mostly belonging to Breckenridge's command, also passed through to Johnson's Island.

The commission of internal revenue recommend a large increase tax, principally upon articles of luxury.

The representatives of the press of Washington propose to tender a complimentary dinner to Colfax, as the first editor elected Speaker of the House.

The Secretary of War has issued an order removing all contrabands from Washington to the south bank of the Potomac. Hawkins, one of the parties in the recent kidnapping case in Montreal has been convicted. The trial of Giddings, on same charge, is set for 17th. Gold 150

Congressional.

RICHMOND, Dec. 10.—Congress had a perfect shower of projects, bills and resolutions of all kinds and on all subjects, but no business was transacted in either House except the passage by the Senate of a bill to repeal the substitute law. Until the members get off the nostrums, which each one seems to have brought, no regular work can be accomplished.

Senator Johnson of Ark., introduced a bill to limit the terms of office of members of the Cabinet to two years, when they might be re-eligible, but should be re-appointed, and confirmed by the Senate. He supported the proposition at some length, stating that what the country now needs is good government and good officers, and that he believed the measure would command the respect of all and the hearty support of some of the Secretaries. He had doubts as to the constitutionality of the measure, but had consulted able heads, who believed it constitutional.

Resolutions were adopted asking the President who is discharging the duties of Quartermaster General, and if his appointment has been confirmed by the Senate.

The House reacted with bills and resolutions upon substitutes, currency, taxes, impressments, arbitrary seizures and impressments by military authorities, frauds by Quartermasters and Commissaries, and to prohibit issue of treasury notes after the first of January. Most of these were referred without discussion, the House evincing a disposition to wade through the mass and get to regular work.

RICHMOND, Dec. 11.—The interest in Congress to-day was principally in the House, in which a large number of resolutions inquiring into the conduct of several of the departments of government, and calls upon the President for information on various subjects, were adopted. A bill passed by the Senate yesterday repealing the substitute law was before the House, and was evidently received with favor by a large majority of the House, and the rules were suspended for the purpose of putting it on passage, but a defect in it was suggested, and it was referred. A resolution was adopted calling on the President for a copy of Gen. Jos. E. Johnson's report of the Mississippi campaign, and then calling for all the correspondence between him and government and orders issued by him during that period. Another calling for official reports of the commanders of all the armies. Another calling on the President for the names of all defaulting disbursing officers, with the amount of and all particulars connected with their default. Another inquiring into the expediency of putting able bodied men now in the employ of Quartermasters and Commissaries in the field and supplying their places with disabled soldiers. Another calling for the number of exempts in each State and Congressional District, and the number exempt for each several causes. Another to know how many able-bodied men in the employ of Quartermasters and Commissaries had been sent to the field in compliance with the law last session, and orders issued to that effect by the Adjutant-General.

Another to inquire into the rumors and charges of frauds and corruptions and gross neglect of duty and maladministration of Quartermasters and Commissaries with power to send for persons and papers. On this resolution one member on the floor preferred these charges against at least one high official, by name, and said one other had been seen by a member of Congress betting largely at faro. Another that the President furnish the House with the number of men each Congressional District had engaged in executing the conscript law, and how many were mounted. Another instructing Military Committee to inquire into the expediency of conscripting one hundred thousand able bodied slaves to serve as teamsters, cooks and laborers in the army. The resolution of Mr. Foote, calling for an investigation of the allegations of the enemy that the Yankee prisoners in our hands were not supplied with sufficient food, was taken up, and the House refused to order the investigation.—Also refused to adopt another resolution of Mr. Foote's inquiring into all the circumstances of the surrender of Vicksburg. More than enough investigation had been already ordered and the information called for would keep Committees busy the whole session and employ the time of a large clerical force in the departments.

In the Senate Mr. Wigfall introduced a bill to create a reserve corps of all persons between sixteen and eighteen, and forty-five and sixty, for local and garrison defence—not to be sent beyond the limits of the States more than thirty days—exempting from the service all officers of State and Confederate Governments. Adjourned till Monday.

From Charleston.

CHARLESTON, Dec. 9.—The Yankees, between three and four o'clock, opened fire on the city and threw eight shells. Moultrie and James Island batteries returned the fire and silenced the enemy. Five buildings were struck. No person was injured. Only six shots were fired at Sumter to-day, one of which missed. No casualties to-day.

[SECOND DISPATCH.]

CHARLESTON, Dec. 10.—The enemy shelled the city, between 10 and 11 o'clock last night, and again at 4 o'clock this morning. Some twenty shells were thrown but no serious damage received and no one injured. Our batteries opened heavily upon the enemy during the shelling of the city. Firing between the Batteries is continued.

[THIRD DISPATCH.]

CHARLESTON, Dec. 10.—A constant fire has been kept up all day, interrupting and driving working parties from Gregg and Wagner. The enemy replied occasionally. No firing of consequence on Sumter. No shelling of the city to-day.

From East Tennessee.

BRISTOL, Nov. 10.—Our last advices from the front are that Longstreet's forces are in line of battle at Rutledge. His rear guard has been skirmishing with the enemy, whose pursuit has not been vigorous since our forces left Morristown. Our cavalry were skirmishing all day Monday with the advance of Wilcox's force on Clinch river.

Capt. Everett's raiding party returned to Abingdon yesterday. He attacked the enemy at Mount Sterling, Ky., and routed them after a stubborn resistance, during which the Court House and jail were burned. He captured a large number of fine horses and one hundred thousand dollars in green backs. The enemy being heavily reinforced he retreated rapidly through Pound Gap, closely pursued by twelve hundred cavalry, who are reported at Gladeville, Va.

The Siege of Knoxville Certainly Raised.

DALTON, Dec. 8.—A gentleman just from Knoxville says the siege has certainly been raised. The enemy, twenty-two thousand strong, appeared in front of the place when Longstreet withdrew and was marching his troops into North Carolina.

NORTH CAROLINA LEGISLATURE.

THIRD SESSION.

SENATE, FRIDAY, Dec. 11.

The Senate met at 10 o'clock. Journal read.

Mr. Warren from the Judiciary Committee, reported a bill in regard to Courts of Oyer and Terminer, recommending that it pass.

Mr. Tassiter, from the Committee on Propositions and Grievances, reported a bill establishing the fees of clerks and sheriffs of Guilford county, which, on motion of Mr. Adams, passed its several readings.

Mr. Warren, from the Judiciary Committee, reported a bill for the punishment of crimes committed within the enemy's lines, recommending its passage.

Mr. Hoke presented a resolution directing the transfer of State Troops to the Confederate States.

Mr. Hoke said he introduced the resolution in order to save the heavy expense of paying a body of troops that should be paid by the Confederate government.

Mr. Wright—A bill to amend the charter of the Fayetteville Insurance Company. Passed its several readings.

Mr. Arendell—A bill to authorize four Justices to appoint a Commissioner for Carteret county.

Mr. Patrick moved to amend by adding Craven county. The bill, as amended, passed its 2d and 3d reading.

Mr. Young, from the Military Committee, reported a resolution authorising the Governor to transfer all State Troops to the Confederate government, recommending its passage.

Mr. Graham—A bill to incorporate the Orphan's Fund Association. Passed its 2d and 3d readings and sent to the House.

Mr. Graham—A resolution proposing to rescind the joint order to adjourn *sine die* on Monday and appointing Wednesday. Not agreed to.

Mr. Wiggins, from the Finance Committee, reported a bill to remit taxes on lost property, recommending its passage. The bill, on motion of Mr. Slaughter, passed its 2d and 3d readings.

Mr. Arendell, from the Committee on Corporations, reported a bill to incorporate the Hilgata Mining Company, recommending its passage.

ENGROSSED BILLS—FIRST READING.

A bill defining the duties of the Treasurer of the Literary Fund.

A bill to punish crimes committed within the enemy's lines.

A bill to incorporate the Sockville Mining and Manufacturing Company.

A bill to establish graded schools in the State.

A bill to authorise the issue of a limited amount of small N. C. Treasury notes.

A bill to pay a premium of $2 per pound for all wool raised, was rejected.

A bill to amend the act in regard to solicitors coming—(Allows returns to be made to the Secretary of State in the absence of the Sheriff.) Referred to the Judiciary Committee.

Mr. Slaughter presented a list of Magistrates for Bertie county. Appointed.

Leave of absence was granted Mr. Matthews from and after to-day.

Mr. Watson—A bill to admit proof of handwriting in certain cases.

A resolution in favor of Drury King. Passed its 3d reading.

A bill in relation to the Militia and the Guard for Home Defence was taken up. (The whole list of exemptions was stricken out on Wednesday.

Mr. Patton moved to amend by directing that the guard shall not be called out *en masse*, but by details from each company. Adopted.

Mr. Young moved to insert the list of exemptions, providing that they shall only be exempt from drill.

Mr. Carraway was opposed to all the exemptions.

Mr. Adamas thought that young clerks, dandies, &c., should go in and the former be exempted.

Mr. Young's amendment was adopted and the bill passed its 3d reading.

A message was received from the House proposing to adjourn on Monday to meet on the 3d Monday in May.

Mr. Hoke moved to insert the 3d Monday in April. Rejected.

Mr. Patton moved to insert *sine die*. Rejected.

Mr. Outlaw moved to insert Wednesday. Rejected.

The proposition of the House was concurred in.

The bill to amend the charter of the Piedmont Railroad Company was taken up, pending which the Senate adjourned to 3½ o'clock this evening.

HOUSE OF COMMONS.

FRIDAY, December 11, 1863.

The House met at 10 o'clock A. M.

The Journal of yesterday was read and approved.

The Committee to which was referred a message from the Governor in relation to the establishment of a State Armory, asked a discharge from its further consideration, owing to the advanced stage of the session, &c.

On motion of Mr. Burns, a resolution was adopted restricting members to five minutes speeches in debate.

Mr. Patterson introduced a resolution authorizing the Governor to take possession of the Cotton Factories, and have them operated for the benefit of the people, allowing their owners 75 per cent. on profits. Referred to the Committee on the Judiciary.

Mr. Cowles—A bill relating to the Supreme Court. Referred to the same Committee.

Mr. Keener—A bill to authorize the Governor to accept the services of Cherokee Indians to repel invasion, etc. Referred to the Committee on Military Affairs.

Mr. Carter—A bill concerning the Governor's salary. [Authorizes the Governor to draw $500 of his salary from State Funds in the hands of State agents abroad.] The rules were suspended and the bill was rejected on its second reading.

Mr. Henry of Bertie, a resolution to rescind the joint order for *sine die* adjournment. [Proposing an adjournment on Monday next, until the 3d Monday of April next.

Mr. Love moved to amend by striking out the words "until the third Monday of April next." Not agree to.

Mr. Henry modified his resolution so as to provide for an adjournment on Wednesday, the 16th inst., until the 3d Tuesday of May, 1864.

Mr. Harris of Chatham, moved to restore the words "Monday the 14th inst.," striking out the words "Wednesday the 16th inst." Agreed to.

The resolution as amended was then adopted.

On motion of Mr. Love, the House reconsidered the vote by which was rejected, on Thursday, the bill to amend an act entitled Militia, on its 2nd reading. [The bill gives to the Assistant Adjutant General, the rank and pay of Major and allows Clerks in the Military Departments salaries not exceeding $1500 per annum.

The question recurring on the passage of the bill to its 2nd reading, the yeas and nays were ordered, on motion of Mr. Peebles, and the bill passed. Ayes, 63; Nays, 23.

On motion of Mr. Grissom, the rule was suspended and the bill passed its third reading.

Mr. Hawes introduced a bill to authorize the Justices of New Hanover County, to fix the rates of ferriage at Big Bridge Ferry. Passed 1st reading.

On motion of Mr. Smith of Washington, the House reconsidered the vote by which was rejected this morning "a bill in relation to the Governor's salary," and the bill passed its several readings.

Mr. Person introduced a bill to amend chapter 36, Revised Code, entitled "Currency." Referred to the Committee on Finance.

On motion of Mr. Carter, the House reconsidered the vote by which it referred to the Judiciary Committee this morning "a bill relating to the Supreme Court." [Authorizing the Governor to call special sessions of said Court.] The rules were suspended and the bill passed its several readings.

Mr. Harrison introduced a bill to increase the pay of the Governor's Messenger—which passed its several readings under a suspension of the rules.

Mr. Watson—A resolution in favor of Wm. Patterson, late Sheriff of Alamance. Passed its several readings.

ON CALENDAR.

A bill to compel Railroad Companies to keep fire, water and lights in their coaches; A resolution in favor of Council Wooten; A bill to tax Express Companies; and a bill to incorporate the Cahota Mining Company, passed severally their third reading.

A bill to incorporate the Comstock Mining Company; A bill to allow a fee to the Assistant Clerk of the Treasurer for the registration of bonds; and a bill to regulate the office hours of certain public officers, passed their third reading.

A bill concerning the Home Guard. Passed second reading.

A bill to amend an act authorizing the employment of slave labor on fortifications, &c., was laid on the table on its second reading.

A bill directing how the tax on Bank Stock, dividends, &c., shall be paid. Passed 2d and 3d readings.

A bill concerning Common Schools. Passed second reading.

The Senate concurred by message in the proposition from the House, that the two Houses adjourn on Monday the 14th inst., to meet on the third Tuesday in May next.

The House then adjourned until 3½ o'clock P. M.

EVENING SESSION.

SENATE, FRIDAY, Dec. 11.

The greater part of the evening session was held with closed doors.

The bill to change the guage of the Piedmont Railroad to that of the Danville Railroad was laid on the table.

BILLS PASSED THEIR THIRD READING.

A bill to provide for the holding of Courts of Oyer and Terminer.

A bill to incorporate the Miner's Mining and Smelting Company.

A bill to authorise the sale of Cherokee lands.

On motion, the Senate adjourned to Saturday at 9½ o'clock.

DAILY PROGRESS.

SATURDAY, DEC. 12, 1863.

The Legislature.

We give the proceedings of yesterday, but have no room for comment. We think some haste is exhibited by members to get away. There is much business that ought to be cautiously and deliberately considered, but lately they have agreed to adjourn on Monday to meet again on the third Monday in May. The House was in secret session last night. The Senate was not in session.

The President's Message.

The main points of the Message having been given in the synopsis sent by telegraph and the interest in the document itself anticipated, we omit to give a part of it to-day, reserving the balance for our next issue. This course will enable us to give the war news, legislative proceedings, &c.

Thursday, to all outward appearances, was appropriately observed. The churches were all open and well filled. Bishop Atkinson delivered a powerful discourse at the Episcopal Church, and Dr. Deems, we learn, made a most excellent discourse at the Methodist. If the sufferings that afflict us be chastisements for our sins, we must have sinned grievously, and the repentance must be thorough and complete before the scourge is removed.

Gen. Hood appeared on the streets in Richmond on Wednesday. His wound is said to be entirely healed, and he expects to enter the field in the spring.

Gen. Howell Cobb is in Richmond to confer with the Government relative to affairs in Northern Georgia.

STOCK MARKET.

REPORTED BY W. R. RICHARDSON & CO.

SATURDAY, Dec. 12, 1863.

Nothing doing in Confederate Stocks.
North Carolina Bonds (old 6's) sales at $550.
" " " (new 6's, war,) 295.
" " " (new, Internal Improvement) 295.
North Carolina Bonds (8's) 280.
N. C. Treasury Notes, 1's and 2's 200 premium.
Specie—(Gold, 22½. Slight decline.) Silver, 20.
Very little doing owing to anxiety in regard to contemplated action of Congress in regard to currency.

Fifteen cents for Rags.—Fifteen cents a pound will be paid for all clean Cotton and Linen rags delivered at the Progress office.

NEW ADVERTISEMENTS.

Merchants' Bank of Newbern,
GREENSBORO', N. C., Dec. 7, 1863.

A DIVIDEND OF FOUR PER CENT. ON THE Capital Stock of this Bank, for the last six months, has been declared payable on demand.
Dec 12-3t* W. W. CLARK, Cashier.

Office Raleigh & Gaston Railroad Co.,
RALEIGH, Dec. 11, 1863.



THE BOARD OF DIRECTORS OF THIS COMPANY have declared a semi-annual dividend of 10 per cent., payable in Confederate currency, on and after Monday the 5th day of January, 1864.
Dec 12 3taw5J W. W. VASS, Treasurer.

ATTENTION "B" COMPANY.

APPEAR ON NASH SQUARE TO-DAY (SATURday) at 12 o'clock for Drill. W. H. FINCH,
Dec 12-1t Captain Commanding.

ATTENTION "A" COMPANY.

YOU ARE HEREBY COMMANDED TO APPEAR at Tucker's Old Field, to-day, (Saturday) for Battalion drill. Absentees will be sent for.
By order of Col. Harrison;
S. W. SCOTT, Capt'n.
Dec 12-1t* Co. A. 1st. Reg't N. C. M. H. D.

AUCTION SALES.

By WILKES MORRIS, Auctioneer.

CARGO SALE OF IMPORTED GOODS BY CATALOGUE.

ON WEDNESDAY, DECEMBER 16TH, 1863, I WILL sell, at my Sales Room, No. 2, Granite Row, Front Street, Wilmington, N. C., commencing at 9 o'clock, A. M., the entire cargoes of Steam Ships

LUCY AND PET,

with large consignments from other ships, consisting of

DRY GOODS.

42 cases Dark and Fancy Prints
4 do Super French Black Broad Cloth
3 do Grey Army Cloth, superior
5 do Steel Grey Cassimere
2 do Fancy Tweeds
2 do Heavy Mixed Seal Skins
2 do do Velvet Pile
8 bales Grey Wool Shirts
2 cases Fancy Wove do
3 bales Welsh Flannels
6 cases Long Cloth Shirts, Linen Fronts
1 bale Brown Canton Flannel
1 bale Diaper and Bath Towels
3 cases Silk and Bandana H'dk'fs
1 case Hoop Skirts and Corsets
3 cases Superior Black Bombazine
1 do Black Poplin
6 do do Alpacca
1 do Hermetta Cloth
1 do Black Cashmere
1 do 6 4 Black Alpacca
1 do Royal Merino
4 do French DeLaines
4 do Fancy Mohairs
2 do White Muslin
3 do East India Blue Unions
1 do Linen Sheeting
1 do Irish Linens
6 do Long Cloth
10 do Unbleached Sheeting, 36 inch, super
1 do White Jaconet
8 do Flax Thread, assorted colours
2 do Linen Tape and Bobbins
3 do Tooth Brushes
4 do Combs
1 do Black Italian Sewing Silk
3 do Pins, Kirby's
1 do Pearl Buttons
2 do Agate do
24 do 2300 prs Cotton Cards
1 do Card Clothing, 220 sheets, 36 x 4, No. 32 wire
60 M Ring Travellers
180 Sheep Skins
6 cases Felt Hats, Men and Boys
1 do Hair, Cloth, Hearth, Shoe and Infant Brushes
3 do Briar Root Pipes

LEATHER AND SHOES.

26 cases French Waxed Calf Skins
2 cases Kip Boots
3 cases Blk and Bro. Harness Sides
1 case Shoe Lining
4 bales English Sole Leather
104 cases superior make and finish Ladies', Gent's and Children's Shoes
60 cases E. I. Army Bluchers
5 cases Shoe Thread
2 casks Mason's Blacking

HARDWARE AND CUTLERY.

11 casks Files, well assorted
3 casks Hinges, well assorted
3 casks Screws, do do
10 cases Canada Axes
2 casks Shoemaker's Tools, assorted
2 casks Table Knives and Forks, bags Shot, Wire Tin Safes, patent Wire Dish Covers, Ladles, Cream and Egg Whips, Machine Brass Chain, Dog and Land Chains, Sofa Springs, Iron Bedsteads
4 cases Tacks
396 boxes Terne Plate
9 ingots Block Tin
10 casks Zinc

ROPE, BAGGING AND TWINE.

28 coils Manilla Rope
10 bales Bagging
10 bales Twine

GROCERIES.

900 bags Rio Coffee, prime
30 do Cape do do
121 boxes English Brown Soap
7 cases Brown Windsor Soap
40 cases Stearine and Adamantine Candles
20 Hf-chests Congou Tea
50 cases Sublime Salad Oil

STATIONERY.

16 cases Letter, Foolscap and Note Paper
2 do Steel Pens
1 do Pen Holders
1 do Red Ink

DRUGS.

17 casks pure White Lead
10 casks Alcohol
9 kegs Saltpetre
1 barrel Sulphur
1 cask Sugar Lead
10 kegs Colors, Potash
9 barrels Borax
2 cases Cod Liver Oil
119 drums Linseed Oil
12 casks Linseed Oil
8 drums Parasine Oil
30 cases Lamp Black
360 kegs Bi-Carbonate Soda
300 ounces Quinine
30 boxes Extract Logwood

SALT.

232 sacks Liverpool G. A. Salt
165 sacks Turk's Island Salt

LIQUORS, &c.

73 barrels Bourbon Whiskey
83 cases Scotch do
40 do Pure Holland Gin
61 do Champaigne, qts and pints
82 do Claret
20 do 89 doz Jeffrey's Pale Ale
Dec 7-td

ADVERTISING RATES.

The following rates will be charged for all advertisements inserted in the DAILY PROGRESS:

ONE SQUARE OR LESS THAN, OR LESS:

One day	$3 00	One week	$ 5 00
Two days	3 50	Two weeks	10 00
Three days	5 00	Three weeks	20 00
Four days	6 50	One month	35 00
Five days	8 00	Two months	60 00

Fifty words, or eight lines or less count a square, and additional squares will be charged the same. Advertisements inserted once, twice or three times a week will be charged $2 a square for every insertion.

When sent by letter, the money must accompany the advertisement. Marriages, deaths, religious and other notices charged as advertisements and must be paid in advance.

AUCTION AND PRIVATE SALES.

ATTRACTIVE SALE.

ON MONDAY, THE 21ST DAY OF DECEMBER, AT the late residence of Thos. J. Lemay, deceased, in the county of Johnston, 13 miles South-east of Raleigh, on the road leading from Rand's Mill to Smithfield, I will sell to the highest bidder all the crop of Corn, (150 bbls.) Fodder, Shucks, Wheat, Peas, Potatoes, &c., &c.

Also, about 35 fat Hogs, besides stock Hogs of Sows and Pigs, Shoats, six or seven Horses and Mules; all of the stock of Cattle, some very fine Milch Cows in the lot; a small flock of Sheep; all farm implements, consisting of Wagons, Carts, Plows and all other implements usually found on a well regulated plantation.

Also, one family Carriage, one Rockaway—harness to each.

Also, all the Household and Kitchen Furniture; the furniture in house consisting in part of fine Parlor Chairs, Tables, Carpets, Bed and Bed Clothing, Blankets, (good quality,) Bedsteads, Sideboards and many other articles now scarce and desirable, not necessary to mention.

Also, a large and well selected Library of Standard and Miscellaneous Books.

At the same time and place will be hired out for the next year some sixteen or eighteen likely Negroes, consisting of men, women and boys.

The sale to continue from day to day until all is sold. Terms made known on the day of sale.

A. T. MIAL,
Dec 9-6t Administrator.

LAND FOR SALE.

THE SUBSCRIBER WILL SELL ON TUESDAY the 22d day of December, at public sale two tracts of land adjoining each other. These lands are situated six miles Northwest of Raleigh, on the Holly Springs road, well watered and well timbered. The home tract consists of 160 acres, well improved, good dwelling, store house, Gard and Stables. There is a good young Orchard on the farm. The other is in good farming order, and has some 65 acres in the tract. Both of these tracts can be bought jointly and privately before the day of sale. I will also sell at the same time and place one pair No. 1 mules, some Sows and Pigs, Farming Utensils, &c.
Dec 3 eod2w G. A. LACK.

FINE FAMILY CARRIAGE AT AUCTION.

WILL BE SOLD AT TOWLES' AUCTION AND commission store on Saturday, the 12th inst., at 12 o'clock, one elegant northern made close carriage, as good as new, having been very well kept and but little used, with a complete set of harness.
Dec 8-td* JAS. M. TOWLES, Auct.

IMPORTANT SALE AT HILLSBOROUGH ON THE 15TH DECEMBER, 1863.

2,500 LBS. SWEEDS AND ENGLISH IRON
20 Gallons Varnish
25 Cottage Bedsteads, large size
3 Gross Bed Screws
3 Dozen Mill Saw Files
2½ Dozen Hand Saw Files
3 Sets Iron Axles for Wagons
300 lbs. White Lead
3 Boxes Window Glass, 8x10, 10x12, 10x14
300 lbs. Hoop Iron
3 Boxes Mahogany Veniers, for Bureaus and Wardrobes
30 lbs. excellent Glue
1 Full set Blacksmith's Tools, new; never been used, (Bellows 38 inches,)
Heavy size 7 Spinning Wheels, No. 1 article
Some Wagon Chains
One fine Syrup Mill, three Rollers
Wood Screws, Sand Papers, &c., &c
Terms of sale, cash.

Any of the above articles can be traded for privately until day of sale. GEORGE BISHOP,
Nov 30 td Hillsborough, N. C.
Standard copy td.

IMPORTANT SALE.

WEDNESDAY THE 23RD DAY OF DECEMBER, 1863, I will sell at Auction to the highest bidder, on the premises at Joyner's Depot, Wilson County, on Wilmington and Weldon Railroad, my Lot, containing about five acres of land, on which is a Dwelling House, Kitchen, Smoke House and Barn, newly built, a large Wagon Shop with three setts Carpenters Tools, a Shoe Shop with full setts shoe and harness makers Tools, a lot of Paints, Oils, and painters utensils, a lot of Timber for the wagon business, Iron for plow hoes, &c. Also one Steam Saw Mill, with two Grist Mills attached two log wheels, one pair large Mules, with wagon and harness, one yoke Oxen, two work Horses, some Sows and Pigs, with some fat Hogs, a lot of new Plow Hoes Also, Axes, Grub Hoes, Spades and Shovels, Carts, Wagons, Buggy's and Harness, Axles and Buggy Springs. Also, one Young Jack, &c., &c.

The above works are all now in operation and the hands can be hired for another year.

Terms to suit the purchaser.
Dec 5-10t* W. W. FLOWERS.

REAL ESTATE FOR SALE.

THE SUBSCRIBER OFFERS FOR SALE THE House and Lot in the Town of Hillsboro, now used as a factory. The building is 30x50 feet, with cellar and sheds on one side; is a well built house, sealed inside and painted inside and out; has a firstrate Pump and excellent water, ⅝ of an acre of land, corner lot, and no building within seventy-five feet, consequently in no danger of fire from neighboring buildings; is well adapted for store room and tobacco factory. Price $2,500. The house cannot be built for double this amount.

GEORGE BISHOP,
Nov 30-tI5D Hillsboro, N. C.
Standard copy.

AUCTION SALE.

I WILL SELL AT GRAHAM, N. C., DECEMBER 16, 1863, at Public Auction:
11 bbls Holt's Whiskey and Brandy;
30 sacks Salt;
1 hhd. Eng. Island Molasses;
2½ bbls. Glue;
2 Buggies;
1 Wagon;
1 Cart;
1 Horse;
1 Piano;
1 Cooking Stove, complete;
The Crockery and Glassware and other Household Furniture belonging to the estate of Henry S. Blackwell, dec'd.

Terms, 6 months' credit or cash.
THOS. J. MITCHELL,
Nov 18-td Adm'r.

VALUABLE PLANTATIONS FOR SALE.

I OFFER FOR SALE THREE VALUABLE FARMS, two of them containing 800 acres each, and situated two miles from the Town of Windsor, in Bertie county, and about one mile from Cashie river. There is upon the premises all necessary buildings. On account of the location of course the lands are very valuable, being near the capitol of the county, and at a near point to ship produce by water. The third contains 500 acres, 5 miles from Roanoke river. There is upon the lands a neat Dwelling and all usual out-buildings. This Plantation is a very desirable one, and in fact all are in good state of cultivation, and the location healthy and society very good. The reputation of Bertie county lands is well know for the production of corn, cotton and peas, which is enough guarantee to the purchaser without further details. Apply to me at Windsor, N. C., or to JORDAN WOMBLE, Esq., at Raleigh, N. C.
Nov 20-1m* P. HENNEBERRY

NOTICE.

I WILL SELL AT DURHAM'S, ON THE 16TH INstant, 12 likely young NEGROES, for cash.
Dec 3-td* R. P. MORRIS, Auctioneer.

NEW TANNERY.

MOSES & JORDAN WILL TAN ALL SPLIT Hides for one-third and all Skins for one-half. The owner of the hides shall have the preference of the Yard's part at what it is selling for from the Yard at the time. Location nine miles South-east of Raleigh, and within three-quarters of a mile of Auburn, on the N. C. R. R.
Dec 5-12t*

WANTED,

$20,000 IN NORTH CAROLINA TREASURY Notes, 1s and 2s, wanted for which the highest premium will be paid.
Oct 26-tf W. R. RICHARDSON & CO.

PRESIDENT'S MESSAGE.

To the Senate and House of Representatives of the Confederate States:

The necessity for legislative action, arising out of the important events that have marked the interval since your adjournment, and my desire to have the aid of your counsel on other matters of grave public interest, render your presence at this time more than ordinarily welcome. Indeed, but for serious obstacles to convoking you in extraordinary session, and the necessity for my own temporary absence from the seat of Government, I would have invited you to an earlier meeting than that fixed at the date of your adjournment.

Grave reverses befell our arms soon after your departure from Richmond. Early in July, our strongholds at Vicksburg and Port Hudson, together with their entire garrisons, capitulated to the combined land and naval forces of the enemy. The important interior position of Jackson next fell into their temporary possession. Our unsuccessful assault on the post at Helena, was followed at a later period by the invasion of Arkansas; and the retreat of our army from Little Rock gave to the enemy the control of the important valley in which it is situated.

The resolute spirit of the people soon rose superior to the temporary despondency naturally resulting from these reverses. The gallant troops, so ably commanded in the States beyond the Mississippi, inflicted repeated defeats on the invading armies in Louisiana and on the coast of Texas. Detachments of troops and active bodies of partizans kept up so effective a war on the Mississippi river as practically to destroy its value as an avenue of commerce.

The determined and successful defence of Charleston against the joint land and naval operations of the enemy afforded an inspiring example of our ability to repel the attacks even of the iron clad fleet on which they chiefly rely; while on the northern frontier our success was still more marked.

The able commander, who conducted the campaign in Virginia, determined to meet the threatened advance on Richmond, for which the enemy had made long and costly preparations, by forcing their armies to cross the Potomac and fight in defence of their own capital and homes Transferring the battle-field to their own soil he succeeded in compelling their rapid retreat from Virginia, and in the hard-fought battle of Gettysburg inflicted such severity of punishment as disabled them from early renewal of the campaign as originally projected. Unfortunately, the communications on which our General relied for receiving his supplies of munitions were interrupted by extraordinary floods, which so swelled the Potomac as to render impassable the fords by which his advance had been made, and he was thus forced to a withdrawal, which was conducted with deliberation, after securing large trains of captured supplies, and with a constant but unaccepted tender of battle On more than one occasion the enemy has since made demonstrations of a purpose to advance, invariably followed by a precipitate retreat to entrenched lines on the approach of our forces.

The effective check thus opposed to the advance of the invaders at all points was such as to afford hope of their early expulsion from portions of the territory previously occupied by them, when the country was painfully surprised by the intelligence that the officer in command of Cumberland Gap had surrendered that important and easily defensible pass without firing a shot, upon the summons of a force still believed to have been inadequate to its reduction, and when reinforcements were within supporting distance, and had been ordered to his aid.—The entire garrison, including the commander, being still held prisoners by the enemy, I am unable to suggest any explanation of this disaster, which laid open Eastern Tennessee and Southwestern Virginia to hostile operations, and broke the line of communication between the seat of government and Middle Tennessee. This easy success of the enemy was followed by an advance of Gen. Rosecrans into Georgia, and our army evacuated Chattanooga and availed itself of the opportunity thus afforded of winning, on the field of Chickamauga, one of the most brilliant and decisive victories of the war. This signal defeat of General Rosecrans was followed by his retreat into Chattanooga, where his imperilled position had the immediate effect of relieving the pressure of the invasion at other points, forcing the concentration, for his relief, of large bodies of troops withdrawn from the armies in the Mississippi valley and in Northern Virginia. The combined forces thus accumulated against us in Tennessee, so greatly outnumbered our army as to encourage the enemy to attack. After a long and severe battle, in which great carnage was inflicted on him, some of our troops inexplicably abandoned positions of great strength, and by a disorderly retreat, compelled the commander to withdraw the forces elsewhere successful, and finally to retire with his whole army to a position some twenty or thirty miles to the rear. It is believed that if the troops who yielded to the assault, had fought with the valor which they had displayed on previous occasions, and which was manifested in this battle on the other parts of the line, the enemy would have been repulsed with very great slaughter, and our country would have escaped the misfortune, and the army the mortification of the first defeat that has resulted from misconduct by the troops. In the meantime, the army of General Burnside was driven from all its field positions in Eastern Tennessee, and forced to retreat into its entrenchments at Knoxville, where, for some weeks, it was threatened with capture by the forces under Gen. Longstreet. No information has reached me of the final result of the operations of our commander, though intelligence has arrived of his withdrawal from that place.

While, therefore, our success in driving the enemy from our soil has not equalled the expectations confidently entertained at the commencement of the campaign, his further progress has been checked. If we are forced to regret losses in Tennessee and Arkansas, we are not without ground for congratulation on successes in Louisiana and Texas. On the sea coast he is exhausted by vain efforts to capture our ports while on the northern frontier he has in turn felt the pressure and dreads the renewal of invasion. The indomitable courage and perseverance of the people in defence of their homes have been nobly attested by the unanimity with which the Legislatures of Virginia, North Carolina and Georgia, have recently given expression to the popular sentiment; and like manifestations may be anticipated from all the States. Whatever obstinacy may be displayed by the enemy in his desperate sacrifices of money, life and liberty in the hope of enslaving us, the experience of mankind has too conclusively shown the superior endurance of those who fight for home, liberty and independence to permit any doubt of the result.

FOREIGN RELATIONS.

I regret to inform you that there has been no improvement in the state of our relations with foreign countries since my message in January last. On the contrary, there, has been still greater divergance in the conduct of European nations from that practical impartiality which alone deserves the name of neutrality, and their action, in some cases, has assumed a character positively unfriendly.

You have heretofore been informed that, by common understanding, the initiative in all action touching the contest on this continent had been left by foreign powers to the two great maritime nations of Western Europe, and that the governments of these two nations had agreed to take no measures without previous concert.—The result of these arrangements has, therefore, placed it in the power of either France or England to obstruct at pleasure the recognition to which the Confederacy is justly entitled, or even to prolong the continuance of hostilities on this side of the Atlantic, if the policy of either could be promoted by the postponement of peace. Each, too, thus became possessed of great influence in so shaping the general exercise of neutral rights in Europe, as to render them subservient to the purpose of aiding one of the belligerents to the detriment of the other. I referred, at your last session, to some of the leading points in the course pursued by professed neutrals, which betrayed a partizan leaning to the side of our enemies, but events have since occurred which induce me to renew the subject in greater detail than was then deemed necessary. In calling to your attention the action of those governments, I shall refer to the documents appended to President Lincoln's message, and to their own correspondence, as disclosing the true nature of their policy, and the motives which guided it. To this course no exception can be taken, inasmuch as our attention has been invited to those sources of information by their official publication.

In May, 1861, the Government of Her Britanic Majesty informed our enemies that it had not "allowed any other than an intermediate position on the part of the Southern States," and assured them "that the sympathies of this country (Great Britain) were rather with the North than with the South."

On the 1st day of June, 1861, the British Government interdicted the use of its ports "to armed ships and privateers, both of the United States and the so-called Confederate States," with their prizes. The Secretary of State of the United States fully appreciated the character and motives of this interdiction, when he observed to Lord Lyons, who communicated it, "that this measure, and that of the same character which had been adopted by France, would probably prove a death blow to Southern privateering."

On the 12th June, 1861, the United States Minister in London informed Her Majesty's Secretary for Foreign Affairs that the fact of his having held interviews with the Commissioners of this Government had given "great dissatisfaction," and that a protraction of this relation would be viewed by the United States "as hostile in spirit, and to require some corresponding action accordingly." In response to this intimation, Her Majesty's Secretary assured the minister that "he had no expectation of seeing them any more."

By proclamation, issued on the 19th and 27th April, 1861, President Lincoln proclaimed the blockade of the entire coast of the Confederacy, extended from the Potomac to the Rio Grande, embracing, according to the returns of the United States coast survey, a coast line of three thousand five hundred and forty-nine statute miles, on which the number of rivers, bays, harbors, inlets, sounds and passes is one hundred and eighty-nine. The navy possessed by the United States for enforcing this blockade was stated in the reports communicated by President Lincoln to the Congress of the United States to consist of twenty-four vessels of all classes in commission, of which half were in distant seas. The absurdity of the pretension of such a blockade, in face of the authoritative declaration of the maritime rights of neutrals made at Paris, in 1856, was so glaring that the attempt was regarded as an experiment on the forbearance of neutral powers, which they would promptly resist. This conclusion was justified by the fact that the Governments of France and Great Britain determined that it was necessary for their interests to obtain from both beligerants "secureties concerning the proper treatment of neutrals." In the instructions which "confided the negotiation on this matter" to the British Consul in Charleston, he was informed that "the most perfect accord on this question exists between Her Majesty's Government and the Government of the Emperor of the French," and these instructions were accompanied by a copy of the despatch of the British Foreign office of the 18th May, 1861, stating that there was no difference of opinion between Great Britain and the United States as to the validity of the principles enunciated in the fourth article of the declaration of Paris in reference to blockades. Your predecessors of the Provisional Congress had, therefore, no difficulty in proclaiming, nor I in approving, the resolutions which abandoned in favor of Great Britain and France our right to capture enemy's property when covered by the flags of those powers. The "securities" desired by those governments were understood by us to be required from both beligerents. Neutrals were exposed on our part to the exercise of the belligerent right of capturing their vessels when conveying the property of our enemies. They were exposed, on the part of the United States, to interruption in their unquestioned right of trading with us by the declaration of the paper blockade above referred to. We had no reason to doubt the good faith of the proposal made to us, nor to suspect that we were to be the only parties bound by its acceptance. It is true that the instructions of the neutral powers informed their agents that it was "essential under present circumstances that they should act with great caution in order to avoid raising the question of the recognition of the new Confederation," and that the understanding on the subject did not assume for that reason the shape of a formal convention. But it was not deemed just by us to decline the arrangement on this ground, as little more than ninety days had then elapsed since the arrival of our commissioners in Europe, and neutral nations were fairly entitled to a reasonable delay in acting on a subject of so much importance, and which, from their point of view, presented difficulties that we, perhaps, did not fully appreciate. Certain it is that the action of this government on the occasion and its faithful performance of its own engagements have been such as to entitle it to expect on the part of those who sought in their own interests a mutual understanding, the most scrupulous adherance to their own promises. I feel constrained to inform you that in this expectation we have been disappointed, and that not only have the governments which entered into these arrangements yielded to the prohibition against commerce with us, which has been dictated by the United States in defiance of the law of nations, but that this concession of their neutral rights to our detriment has on more than one occasion been claimed in intercourse with our enemies as an evidence of friendly feeling towards them. A few extracts from the correspondence of Her Majesty's Chief Secretary of State for Foreign Affairs will suffice to show marked encouragement to the United States to persevere in its paper blockade, and unmistakable intimations that Her Majesty's Government would not contest its validity.

On the 21st May, 1861, Earl Russell pointed out to the United States Minister in London, that "the blockade might no doubt be made effective, considering the small number of harbors on the Southern coast, even though the extent of 3,000 miles were comprehended in terms of that blockade."

On the 14th January, 1862, Her Majesty's Minister in Washington communicated to his Government that in extenuation of the barbarous attempt to destroy the port of Charleston by sinking a stone fleet in the harbor, Mr. Seward had explained "that the Government of the United States had, last spring undertaken to blockade upwards of 3,000 miles of coast. The Secretary of the Navy had reported that he could stop up the "large holes" by means of his ships, but that he could not stop up the "small ones." It had been found necessary, therefore, to close some of the numerous small inlets by sinking vessels in the channel."

On the 6th May, 1862, so far from claiming the right of British subjects as neutrals to trade with us as belligerents, and to disregard the blockade on the ground of this explicit confession by our enemy of his inability to render it effective, Her Majesty's Secretary of State for Foreign Affairs claimed credit with the United States for friendly action in respect to it. His Lordship stated that "the United States Government, on the allegation of a rebellion pervading from nine to eleven States of the Union, have now, for more than twelve months, endeavored to maintain a blockade of three thousand miles of coast. This blockade, kept up irregularly, but when enforced, enforced severely, has seriously injured the trade and manufacturers of the United Kingdom. Thousands are now obliged to resort to the poor rates for subsistance owing to this blockade. Yet her Majesty's Government have never sought to take advantage of the obvious imperfections of the blockade, in order to declare it ineffective. They have, to the loss and detriment of the British nation, scrupulously observed the duties of Great Britain towards a friendly State."

Again, on the 22d September, 1862, the same noble Earl asserted that the United States were "very far indeed" from being in "a condition to ask other nations to assume that every port of the coasts of the so styled Confederate States is effectively blockaded."

When, in view of these facts; of the obligation of the British nation to adhere to the pledge made by their government at Paris, in 1856, and renewed to this Confederacy in 1861; and of those repeated and explicit avowals of the imperfection, irregularity and inefficiency of the pretended blockade of our coast, I directed our Commissioner at London, to call upon the British Government to redeem its promise and to withhold its moral aid and sanction from the flagrant violation of public law committed by our enemies, we were informed that Her Majesty's Government could not regard the blockade of the southern ports as having been otherwise than "practically effective," in February, 1862, and that "the manner in which it has since been enforced, gives to neutral governments no excuse for asserting that the blockade has not been efficiently maintained." We were further informed, when we insisted that by the terms of our agreement, no blockade was to be considered effective unless "sufficient really to prevent access to our coast," "that the declaration of Paris was, in truth, directed against blockades not sustained by any actual force, or sustained by a notoriously inadequate force, such as the occasional appearance of a man-of-war in the offing, or the like." It was impossible that this mode of constructing an agreement, so as to make its terms mean almost the reverse of what they plainly conveyed, could be considered otherwise than as a notification of the refusal of the British Government to remain bound by its agreement, or longer to respect those articles of the declaration of Paris, which has been repeatedly denounced by British statesmen, and had been characterized by Earl Russell, as "very imprudent" and "most unsatisfactory."

If any doubt remained of the motives by which the British Ministry have been actuated in their conduct; it would be completely dissipated by the distinct avowals and explanations contained in the published speech recently made by Her Majesty's Secretary for Foreign Affairs. In commenting on the remonstrances of this government against the countenance given to an ineffective blockade, the following language is used: "It is said we have, contrary to the declaration of Paris, contrary to international law, permitted the blockade of 3 000 miles of American coast. It is quite true we did so, and the presumable cause of complaint is quite true, that although the blockade is kept up by a sufficient number of ships, yet these ships were sent into the United States navy in a hurry, and are ill-fitted for the purpose and did not keep up so completely and effectively as was required, an effective blockade."

This unequivocal confession of violation, both of agreement with us and of international law is defended on grounds, the validity of which we submit with confidence to the candid judgment of mankind.

These grounds are thus stated: "Still looking at the law of nations it was a blockade, we, as a great belligerent power in former times, should have acknowledged. We, ourselves, had a blockade of upwards of 2,000 miles, and it did seem to me that we were bound in justice to the Federal States of America to acknowledge that blockade. But there was another reason which weighed with me. Our people were suffering severely for the want of that material which was the main stay of their industry, and it was a question of self interest whether we should not break the blockade. But in my opinion the men of England would have been forever infamous if, for the sake of their own interest, they had violated the law of nations and made war in conjunction with these slaveholding States of America against the Federal States."

In the second of these reasons our rights are not involved; although it may be permitted to observe that the conduct of governments has not heretofore, to my knowledge, been guided by the principle that is infamous to assert their rights, whenever the invasion of those rights creates severe suffering among their people, and injuriously affects great interests. But the intimation that relations with these States would be discreditable because they are slaveholding, would probably have been omitted if the official personage who has published it to the world had remembered that these States were, when colonies, made slaveholding by the direct exercise of the power of Great Britain, whose dependencies they were, and whose interests in the slave-trade were then supposed to require that her colonies should be made slaveholding.

But the other ground stated is of a very grave character. It asserts that a violation of the law of nations by Great Britain in 1807, when that government declared a paper blockade of 2,000 miles of coast (a violatian then defended by her courts and jurists on the sole ground that her action was retaliatory,) affords a justification for a similar outrage on neutral rights by the United States in 1861, for which no palliation can be suggested; and that Great Britain "is bound, in justice to the Federal States," to make return for the war waged against her by the United States in resistance of her illegal blockade of 1807, by an acquiesence in the Federal illegal blockade of 1861. The most alarming feature in this statement is its admission of a just claim on the part of the United States to require of Great Britain, during this war, a disregard of the recognized principles of modern public law and of her own compacts, whenever any questionable conduct of Great Britain "in former time," can be cited as a precedent. It is not inconsistent with respect and and admiration for the great people whose government have given us this warning, to suggest that their history, like that of mankind in general, offers exceptional instances of indefensible conduct "in former times;" and we may well deny the morality of violating recent engagements through deference to the evil precedents of the past.

After defending, in the manner just stated, the course of the British Government on the subject of the blockade, Her Majesty's Foreign Secretary takes care to leave no doubt of the further purpose of the British Government to prevent our purchase of vessels in Great Britain, while supplying our enemies with rifles and other munitions of war, and states the intention to apply to Parliament for the furtherance of this design. He gives to the United States the assurance that he will do in their favor not only "everything that the law of nations requires," but that he will ask the sanction of Parliament "to further measures that Her Majesty's ministers may still add." This language is so unmistakable an official exposition of the policy adopted by the British Government in relation to our affairs, that the duty imposed on me by the Constitution of giving you from time to time "information of the state of the Confederacy," would not have been performed if I had failed to place it distinctly before you. I refer you for fuller details on this whole subject to the correspondence of the State Department, which accompanies this message. The facts which I have briefly narrated are, I trust, sufficient to enable you to appreciate the true nature of the neutrality professed in this war. It is not in my power to apprise you to what extent the Government of France shares the views so unreservedly avowed by that of Great Britain, no published correspondence of the French Government on the subject having been received. No public protest nor opposition, however, has been made by his Imperial Majesty against the prohibition of trade with us, imposed on French citizens by the paper blockade of the United States, although I have reason to believe that an unsuccessful attempt was made on his part to secure the assent of the British Government to a course of action more consonant with the dictates of public law and with the demands of justice towards us.

The partiality of her Majesty's Government in favor of our enemies has been further evinced in the marked difference of its conduct on the subject of the purchase of supplies by the two belligerents. This difference has been conspicuous since the very commencement of the war. As early as the 1st of May, 1861, the British Minister in Washington was informed by the Secretary of State of the United States, that he had sent agents to England, and that others would go to France to purchase arms, and this fact was communicated to the British Foreign Office, which interposed no objection. Yet in October of the same year, Earl Russell entertained the complaint of the United States Minister in London, that the Confederate States were importing contraband of war from the Island of Nassau, directing inquiry in the matter, and obtained a report from the authorities of the Island denying the allegations, which report was enclosed to Mr. Adams, and received by him as satisfactory evidence to dissipate "the suspicion naturally thrown upon the authorities of Nassau by that unwarrantable act." So, too, when the Confederate Government purchased in Great Britain, as a neutral country, (and with strict observance both of the law of nations and the municipal law of Great Britain,) vessels which were subsequently armed and commissioned as vessels of war, after they had been far removed from English waters, the British Government, in violation of its own laws and in deference to the importunate demands of the United States, made an ineffectual attempt to seize one vessel, and did actually seize and detain another which touched at the Island of Nassau on her way to a Confederate port, and subjected her to an unfounded prosecution at the very time when cargoes of munitions of war were being openly shipped from British ports to New York, to be used in warfare against us. Even now the public journals bring intelligence that the British Government has ordered the seizure, in a British port, of two vessels, on the suspicion that they have been sold to this Government, and that they may be hereafter armed and equiped in our service, while British subjects are engaged in Ireland by tens of thousands to proceed to the United States for warfare against the Confederacy, in defiance both of the law of nations and of the express terms of the British statutes, and are transported in British ships, without an effort at concealment, to the ports of the United States, there to be armed with rifles imported from Great Britain and to be employed against our people in a war for conquest. No royal prerogative is invoked, no executive interference is interposed against this flagrant breach of municipal and international law, on the part of our enemies, while strained constructions are placed on existing statutes, no enactments proposed, and questionable expedients devised for precluding the possibility of purchase, by this Government, of vessels that are useless for belligerent purposes, unless hereafter armed and equipped outside of the neutral jurisdiction of Great Britain.

For nearly three years this Government has exercised unquestionable jurisdiction over many millions of willing and united people. It has met and defeated vast armies of invaders, who have in vain sought its subversion. Supported by the confidence and affection of its citizens, the Confederacy has lacked no element which distinguishes an independent nation, according to the principles of public law. Its legislative, executive and judicial departments, each in its sphere, have performed their appropriate functions with a regularity as undisturbed as in a time of profound peace, and the whole energies of the people have been developed in the organization of vast armies, while their rights and liberties have rested secure under the protection of the courts of justice. This Confederacy is either independent, or it is a dependency of the United States, for no other earthly power claims the right to govern it. Without one historic fact on which the pretension can rest, without one line or word of treaty or covenant which can give color to title, the United States have asserted and the British Government has chosen to concede that these sovereign States are dependencies of the government which is administered at Washington. Great Britain has accordingly entertained with that government the closest and most intimate relations, while refusing, on its demand, ordinary intercourse with us, and has, under arrangements made with the other nations of Europe, not only denied our just claim of admission into the family of nations, but interposed a passive, though effectual, bar to the acknowledgment of our rights by other powers. So soon as it had become apparent, by the declarations of the British Ministers, in the debates of the British Parliament in July last, that Her Majesty's Government was determined to persist indefinitely in a course of policy which, under professions of neutrality, had become subservient to the design of our enemy, I felt it my duty to recall the Commissioner formerly selected to that Court, and the correspondence on the subject is submitted to you.

It is due to you and to our country that this full statement should be made of the just grounds which exist for dissatisfaction with the conduct of the British Government I am well aware that we are unfortunately without adequate remedy for the injustice under which we have suffered at the hands of a powerful nation, at a juncture when our entire resources are absorbed in the defence of our lives, liberties and independence, against an enemy possessed of greatly superior numbers and material resources. Claiming no favor, desiring no aid, conscious of our own ability to defend our own rights, against the utmost efforts of an infuriate foe, we had thought it not extravagant to expect that assistance would be withheld from our enemies, and that the conduct of foreign nations would be marked by a genuine impartiality between the belligerents. It was not supposed that a professed neutrality would be so conducted as to justify the Foreign Secretary of the British nation, in explaining, in correspondence with our enemies, how "the impartial observance of neutral obligations by Her Majesty's Government has thus been exceedingly advantageous to the cause of the more powerful of the two contending parties." The British Government may deem this war a favorable occasion for establishing, by the temporary sacrifice of their neutral rights, a precedent which shall justify the future exercise of those extreme belligerent pretensions that their naval power renders so formidable. The opportunity for obtaining the tacit assent of European Governments to a line of conduct which ignores the obligations of the declaration of Paris, and treats that instrument rather as a theoretical exposition of principles than a binding agreement, may be considered by the British Ministry as justifying them in seeking a great advantage for their own country at the expense of ours. But we cannot permit, without protest, the assertion that international law or morals regard as "impartial neutrality" conduct avowed to be "exceedingly advantageous" to one of the belligerents.

I have stated that we are without adequate remedy against the injustice under which we suffer. There are but two measures that seem applicable to the present condition of our relations with neutral powers. One is to imitate the wrong of which we complain, to retaliate by the declaration of a paper blockade of the coast of the United States, and to capture all neutral vessels trading with their ports that our cruisers can intercept on the high seas. This measure I cannot recommend. It is true that, in so doing, we should but follow the precedents set by Great Britain and France in the Berlin and Milan decrees, and the British orders in council at the beginning of the present century. But it must be remembered that we, ourselves, protested against those very measures as signal violations of the law of nations, and declared the attempts to excuse them, on the ground of their being retaliatory, utterly insufficient. Those blockades are now quoted by writers on public law as a standing reproach on the good name of the nations who were betrayed by temporary exasperation into wrong doing, and ought to be regarded rather as errors to be avoided, than as examples to be followed.

The other measure is not open to this objection. The second article of the declaration of Paris which provides "that the neutral flag covers enemy's goods, with the exception of contraband of war," was a new concession by belligerents in favor of neutrals, and not simply the enunciation of an acknowledged pre-existing rule like the fourth article which referred to blockades. To this concession we bound ourselves by the convention with Great Britain and France, which took the shape of the resolutions adopted by your predecessors on the 13th August, 1861. The consideration tendered us for that concession has been withheld. We have, therefore, the undeniable right to refuse longer to remain bound by a compact which the other party refuses to fulfill. But we should not forget that war is but temporary, and that we desire that peace shall be permanent. The future policy of the Confederacy must ever be to uphold neutral rights to their full extent. The principles of the declaration of Paris commend themselves to our judgment as more just, more humane, and more consonant with modern civilization than those belligerent pretensions which great naval powers have heretofore sought to introduce into the maritime code. To forego our undeniable right to the exercise of those pretensions is a policy higher, worthier of us and of our cause than to revoke our adhesion to principles that we approve. Let our hope for redress rest rather on a returning sense of justice which cannot fail to awaken a great people to the consciousness, that the war in which we are engaged ought rather to be made a reason for forbearance of advantage, than an occasion for the unfriendly conduct of which we make just complaint.

The events of the last year have produced important changes in the condition of our Southern neighbor. The occupation of the capital of Mexico by the French army, and the establishment of a provisional government, followed by a radical change in the constitution of the country, have excited lively interest. Although preferring our own government and institutions to those of other countries, we can have no disposition to contest the exercise by them of the same right of self government which we assert for ourselves. If the Mexican people prefer a monarchy to a republic, it is our plain duty cheerfully to acquiesce in their decision, and to evince a sincere and friendly interest in their prosperity. If, however, the Mexicans prefer maintaining their former institutions we have no reason to apprehend any obstacle to the free exercise of their choice. The Emperor of the French has solemnly disclaimed any purpose to impose on Mexico a form of government not acceptable to the nation; and the eminent personage to whom the throne has been tendered, declines its acceptance, unless the offer be sanctioned by the suffrages of the people. In either event, therefore, we may confidently expect the continuance of those peaceful relations which have been maintained on the frontier, and even a large development of the commerce already existing to the mutual advantage of the two countries.

It has been found necessary since your adjournment to take action on the subject of certain foreign consuls within the Confederacy. The nature of this action and the reasons on which it was based are so fully exhibited in the correspondence of the State Department which is transmitted to you, that no additional comment is required.

In connection with this subject of our relations with foreign countries, it is deemed opportune to communicate my views in reference to the treaties made by the government of the United States at a date anterior to our separation, and which were consequently binding on us as well as on foreign powers when the separation took effect. It was partly with a view to entering into such arrangements as the change in our government had made necessary that we felt it our duty to send commissioners abroad, for the purpose of entering into the negotiations proper to fix the relative rights and obligations of the parties to those treaties. As this tender on our part has been declined; as foreign nations have refused us the benefit of the treaties to which we were parties, they certainly have ceased to be binding on us, and in my opinion our relations with European nations are, therefore, now controlled exclusively by the general rules of the law of nations. It is proper to add that these remarks are intended to apply solely to treaty obligations towards foreign governments, and have no reference to rights of individuals.

FINANCES.

The state of the public finances is such as to demand your earliest and most earnest attention. I need hardly say that a prompt and efficacious remedy for the present condition of the currency is necessary to the successful performance of the functions of government. Fortunately, the resources of our country are so ample, and the spirit of our people so devoted to its cause that they are ready to make any necessary contribution. Relief is thus entirely within our reach if we have the wisdom to legislate in such manner as to render available the means at our disposal.

At the commencement of the war we were far from anticipating the magnitude and duration of the struggle in which we are engaged. The most sagacious foresight could not have predicted that the passions of the Northern people would lead them blindly to the sacrifice of life, treasure and liberty in so vain a hope as that of subjugating thirteen independent States, inhabited by many millions of people, whose birthright of freedom is dearer to them than life. A long exemption from direct taxation by the general government had created an aversion to its raising revenue by any other means than by duties on imports, and it was supposed that these duties would be ample for current peace expenditure, while the means for conducting the war could be raised almost exclusively by the use of the public credit.

The first action of the Provisional Congress was, therefore, confined to passing a tariff law and to raising a sum of fifteen millions of dollars by loan, with a pledge of a small export duty on cotton to provide for the redemption of the debt.

At its second session war was declared to exist between the Confederacy and the United States, and provision was made for the issue of twenty millions of dollars in treasury notes, and for borrowing thirty millions of dollars on bonds. The tariff was revised, and preparatory measures taken to enable the Congress to levy internal taxation at its succeeding session. These laws were passed in May, and the States of Virginia, North Carolina, Tennessee and Arkansas having joined the Confederacy, the Congress adjourned to meet in the city of Richmond in the following month of July.

Prior to the assembling of your predecessors in Richmond at their third session near the end of July, 1861, the President of the United States had developed in his message the purpose "to make the contest a short and decisive one," and had called on Congress for 400,000 men and four hundred millions of dollars. The Congress had exceeded the Executive recommendation and had authorized the levy of half a million of volunteers, besides largely increasing the regular land and naval forces of the United States. The necessity thus first became urgent that a financial scheme should be devised on a basis sufficiently large for the vast proportions of the contest with which we were threatened. Knowing that the struggle, instead of being "short and decisive," would be indefinite in duration, and could only end when the United States should awaken from their delusion of conquest, a permanent system was required, fully adapted to the great exigencies before us.

The plan devised by Congress at that time was based on the theory of issuing Treasury notes convertible at the pleasure of the holder into eight per cent. bonds, the interest of which was to be payable in coin, and it was correctly assumed that any tendency to depreciate that might arise from over issue of the currency would be checked by the constant exercise of the holder's right to fund the notes at a liberal interest payable in specie. This system depended for success on the continued ability of Government to pay the interest in specie, and means were, therefore, provided for that purpose in the law authorizing the issues. An internal tax termed a war tax was levied, the proceeds of which, together with the revenue from imports, were deemed sufficient for the object designed. This scheme required for its operation that our commerce with foreign nations should not be suspended. It was not to be anticipated that such suspension would be permitted otherwise than by an effective blockade; and it was absurd to suppose that a blockade "sufficient really to prevent access" to our entire coast could be maintained.

We had the means, therefore, (if neutral nations had not combined to aid our enemies by the sanction of an illegal prohibition on their commerce), to secure the receipt into the Treasury of coin sufficient to pay the interest on the bonds, and thus maintain the treasury notes at rates nearly equal to par in specie. So long as the interest continued to be thus paid with the reserve of coin pre-existing in our county, experience sustained the expectations of those who devised the system. Thus, on the first of the following December, coin had only reached a premium of about twenty per cent., although it had already become apparent that the commerce of the country was threatened with permanent suspension by reason of the conduct of neutral nations, and that the necessary result must be the exhaustion of our specie reserve. Wheat, in the beginning of the year 1862, was selling at one dollar and thirty cents per bushel, not exceeding, therefore, its average price in time of peace. The other agricultural products of the country were at similar moderate rates, thus indicating that there was no excess of circulation, and that the rate of premium on specie was heightened by the exceptional causes which tended to its exhaustion without the possibility of renewing the supply.

This review of the policy of your predecessors is given in justice to them, and it exhibits the condition of the finances at the date when the permanent government was orgaized.

In the meantime the popular aversion to internal taxation by the general government had influenced the legislation of the several States, and in only three of them, South Carolina, Mississippi and Texas, were the taxes actually collected from the people. The quotas devolving upon the remaining States had been raised by the issue of bonds and State treasury notes, and the public debt of the country was thus actually increased instead of being diminished by the taxation imposed by Congress.

Neither at the first nor second session of the present Congress were means provided by taxation for maintaining the government, the legislation being confined to authorizing further issues of bonds and issues of Treasury notes. Although repeated efforts were made to frame a proper system of taxation, you were confronted with an obstacle which did not exist for your predecessors, and which created grave embarrassment in devising any scheme of taxation. About two-thirds of the entire taxable property of the Confederate States consist of lands and slaves. The general power of taxation vested in Congress by the provisional Constitution (which was to be only temporary in its operation) was not restricted by any other condition than that "all duties, imposts and excises, should be uniform throughout the States of the Confederacy." But the permanent Constitution, sanctioning the principle that taxation and representation ought to rest on the same basis, specially provides that "representatives and direct taxes shall be apportioned among the several States according to their respective numbers, which shall be determined by adding to the whole number of free persons, including those bound to service for a term of years, and excluding Indians not taxed, three-fifths of all slaves."

It was further ordered that a census should be made within three years after the first meeting of the Congress, and that "no capitation or other direct tax shall be laid unless in proportion to the census or enumeration herein before directed to be taken."

It is plain that under these provisions, capitation and direct taxes must be levied in proportion to the census when made. It is also plain that the duty is imposed on Congress to provide for making a census prior to the 22d February, 1865. It may further be stated that, according to the received construction of the Constitution of the United States, (a construction acquiesced in for upwards of sixty years,) taxes on lands and slaves are direct taxes, and the conclusion seems necessary that, in repeating, without modification, in our Constitution, this language of the Constitution of 1787, our convention intended to attach to it the meaning which had been sanctioned by long and uninterrupted acquiescence.

So long as there seemed to be a probability of being able to carry out these provisions of the Constitution in their entirety, and in conformity with the intention of its authors, there was no obvious difficulty in framing any system of taxation. A law which should exempt from the burthen two-thirds of the property of the country, would be as unfair to the owners of the remaining third, as it would be inadequate to meet the requirements of the public service.

The urgency of the need was such, however, that, after very great embarrassment, and more than three months of assiduous labor, you succeeded in framing the act of the 24th April, 1863, by which you sought to reach so far as was practicable, every resource of the country except the capital invested in real estate and slaves, and by means of an income tax and a tax in kind on the produce of the soil, as well as by licenses on business occupations and professions, to command resources sufficient for the wants of the country. But a very large proportion of these resources could only be made available at the close of the present and the commencement of the ensuing year, while the intervening exigencies permitted no delay. In this state of affairs, superinduced almost unavoidably by the fortunes of the war in which we are engaged, the issues of Treasury notes have been increased until the currency in circulation amounts to more than six hundred millions of dollars, or more than three-fold the amount required by the business of the country.

I need not enlarge upon the evil effects of this condition of things. They are, unfortunately, but too apparent.—In addition to the difficulty presented to the necessary operations of the government, and the efficient conduct of the war, the most deplorable of all its results is undoubtedly its corrupting influence on the morals of the people. The possession of large amounts of treasury notes has naturally led to a desire for investment, and with a constantly increasing volume of currency, there has been an apparently constant increase of price in all objects of investment. This effect has stimulated purchase by the apparent certainty of profit, and a spirit of speculation has thus been fostered, which has so debasing an influence, and such ruinous consequences, that it is our highest duty to remove the cause, and no measures directed to that end can be too prompt or too stringent.

Reverting to the constitutional provisions already cited, the question recurs whether it be possible to execute the duty of apportioning taxation in accordance with the census ordered to be made as a basis. So long as this appeared to be practicable, none can deny the propriety of your course in abstaining from the imposition of direct taxes till you could exercise the power in the precise mode pointed out by the terms of the fundamental law. But it is obvious that there are many duties imposed by the Constitution which depend for their fulfilment on the undisturbed possession of the territory within which they are to be performed. The same instrument which ordered a census to be made in all the States, imposes the duty on the Confederacy "to guarantee to every State a republican form of government." It enjoins on us to "protect each State from invasion," and while declaring that its great objects and purposes are "to establish justice, insure domestic tranquility, and secure the blessings of liberty to ourselves and our posterity," it confers the means and thereby imposes on us the paramount duty of effecting that intent by "laying and collecting taxes, duties, imposts and excises, necessary to pay the debts, provide for the common defence, and carry on the Government of the Confederate States."

None would pretend that the Constitution is violated because, by reason of the presence of hostile armies, we are unable to guarantee a republican form of government to those States or portions of States now temporarily held by the enemy, and as little justice would there be in imputing blame for the failure to make the census, when that failure is attributable to causes not foreseen by the authors of the Constitution, and beyond our control. The general intent of our constitutional charter is unquestionably that the property of the country is to be taxed in order to raise revenue for the common defence, and the special mode provided for levying this tax is impracticable from unforeseen causes. It is in my judgment, our primary duty to execute the general intent expressed by the terms of the instrument which we have sworn to obey, and we cannot excuse ourselves for the failure to fulfil this obligation on the ground that we are unable to perform it in the precise mode pointed out. Whenever it shall be possible to execute our duty in all its parts we must do it in exact compliance with the whole letter and spirit of the Constitution. *Until that period shall arrive we must execute so much of it as our condition renders practicable.* Whenever the withdrawal of the enemy shall place it in our power to make a census and apportionment of direct taxes, any other mode of levying them will be contrary to the will of the law-giver, and incompatible with our obligation to obey that will; until that period, the alternative left is to obey the paramount precept, and to execute it according to the only other mode provided, which is to "make the tax uniform throughout the Confederate States."

[CONCLUDED IN OUR NEXT.]

TWO TRACTS OF LAND FOR SALE

ON THE 18TH OF DECEMBER NEXT, AT the late residence of Toliver Terrell, deceased, in the county of Franklin, 9 miles North of Louisburg and 2 miles South of Jones' Springs, I will sell by public auction, five or six hundred acres of Land, on the east end of the tract on which my Testator lived. This tract has 100 acres of low grounds, on Sandy Creek, besides high land now fenced and under cultivation—150 acres in original growth, of the very best Tobacco Land, and much second growth of pines that will produce Tobacco without the aid of stimulants.

Also, one other tract of about 150 acres, on the West end of the same tract. About 50 acres in the best original growth, the balance enclosed and under cultivation. No buildings on either tract, but good building sites and timber in abundance and convenient on each.

At the same time will be sold the crops of Corn, Fodder and Shucks, stock of Hogs and Cattle, 2 Mules, 1 Yoke Oxen, Wheat Thrasher, Fan Mill, Family Carriage, Road Wagon, Ox Wagon, a 1 Horse Wagon, Corn Sheller, St. Clair's Straw Cutter, 1 set Grist Mill Irons, 1 set Saw Mill Irons, 1 pair Mill Stones, a good selection of Books, and a live bear 2 years old. Also, 20 hhds. Tobacco.

TERMS.—Twelve months credit or cash for any of the property.

The land will be sold at 2 o'clock precisely. The other property at the usual hour.

N. B. MASSENBURG,
Executor of Toliver Terrell, dec'd.

Dec 20—2t*